IN THE HIGH COURT OF JUDICATURE AT BOMBAY
ORDINARY ORIGINAL CIVIL JURISDICTION

INCOME TAX REFERENCE NO. 115 OF 1998.

The Godavari Sugar Mills Ltd. ... Applicant.

V/s.

The Commissioner of Income-tax. ... Respondent.

P.J.Pardiwala i/b. Mulla & Mulla C.B.C.
for the applicant.

Ashok Kotangale with Parag Vyas
for the respondent.

CORAM : V.C.DAGA AND J.P.DEVADHAR, JJ.

DATED : 4th October 2005.

P.C. :

. By this reference under section 256(1) of the Income-tax Act, 1961, the Income Tax Appellate Tribunal has referred the following question of law for the opinion of this Court:

> "Whether, on the facts and in the circumstances of the case, the Appellate Tribunal was justified in law in disallowing Rs.3,53,204/-, Rs.2,82,868/- on account of amount deducted from sales realisation proceeds of molasses towards Storage Fund for Molasses Account in accordance with Molasses Control (Amendment) Order, 1974."

. Learned counsel for the parties agreed that the question sought to be referred to this Court for opinion has already been answered by the Apex Court

in the case of **C.I.T. v. New Horizon Sugar Mills P.Ltd.**, (2004) 269 ITR 397 in favour of assessee.

. Accordingly, the question referred is answered in the negative i.e. in favour of assessee and against the Revenue.

. Reference stands disposed of with no order as to costs.

(J.P.DEVADHAR, J.) **(V.C.DAGA, J.)**